

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **SHOUGANG CENTURY HOLDINGS LIMITED**

**首 佳 科 技 製 造 有 限 公 司**

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 103)

### **INSIDE INFORMATION ANNOUNCEMENT REGARDING PROPOSED TRANSFERS OF CERTAIN SHARES OF THE COMPANY BY THE SHAREHOLDERS AND PUBLIC SOLICITATION OF TRANSFEREES BY THE SHAREHOLDERS**

This announcement is made by the board (the “Board”) of directors (the “Directors”) of Shougang Century Holdings Limited (the “Company”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the inside information announcement of the Company dated 18 June 2024 in relation to, among others, the intended transfers of certain shares of the Company held by Fair Union Holdings Limited (“Fair Union”) and Lyre Terrace Management Limited (“Lyre Terrace Management”) (Fair Union and Lyre Terrace Management collectively referred to as the “Transferors”), the shareholders of the Company, by way of public solicitation of transferees. As stated in such announcement, Fair Union continues to be confident to the Company’s prospects. The proposed transfers aim to enhance the diversity of the Company’s shareholders, with a view to assisting the Company’s business synergy and promoting business development. On 12 July 2024, the Company was notified by the Transferors that their state-owned assets supervision and administration authority, agreed to the Transferors’ public solicitation of transferees.

**At the request of the Transferors, the detailed information and requirements of the proposed transfers of certain shares of the Company by the Transferors are set out below. The following content (including appendices) of this announcement are provided by the Transferors and compiled in Chinese. The English translation is for reference only. In case of discrepancy, the Chinese version shall prevail. The Company and its directors are not parties to the potential transaction and make no representation as to the accuracy of the relevant content set out below.**

## **I. BASIC INFORMATION OF SHOUGANG CENTURY HOLDINGS LIMITED**

Chinese/English name:	首佳科技製造有限公司 SHOUGANG CENTURY HOLDINGS LIMITED
Stock code:	103
Number of issued shares:	1,958,381,828 shares (issued share capital: HK\$1,215,797,450.33)
Date of incorporation:	11 June 1991
Business registration number:	14615706
Type of company:	public limited company
Registered office:	Room 1215, 12/F., Honour Industrial Centre, 6 Sun Yip Street, Chai Wan, Hong Kong
Principal activities:	manufacturing and sales of steel cords for radial tyres, sawing wires and hose wires

## **II. BASIC INFORMATION OF THESE SHARE TRANSFERS**

### **(I) Number and Nature of Shares to be Transferred**

As at the date of this announcement, the number of issued shares of the Company was 1,958,381,828 shares, of which Fair Union holds 894,349,179 shares of the Company, representing approximately 45.67% of the number of issued shares of the Company, Lyre Terrace Management holds 8,446,000 shares of the Company, representing approximately 0.43% of the number of issued shares of the Company.

It is proposed that 95,962,000 shares of the Company (the “shares to be transferred”) will be transferred by way of public solicitation of transferees, of which 87,516,000 shares are from Fair Union, representing approximately 4.47% of the number of issued shares of the Company, and 8,446,000 shares are from Lyre Terrace Management, representing approximately 0.43% of the number of issued shares of the Company, and the two together represent approximately 4.90% of the number of issued shares of the Company.

Before completion of these share transfers, if the Company has ex-rights and ex-dividend events such as dividend distribution, bonus issue, conversion of capital reserve into share capital and placing, then the number of shares to be transferred will be adjusted accordingly.

## **(II) Price of Share Transfers**

Pursuant to the requirements of Article 23 of the Measures for the Supervision and Administration of State-Owned Equities of Listed Companies (《上市公司國有股權監督管理辦法》) (Order No. 36 of the State-owned Assets Supervision and Administration Commission of the State Council, the Ministry of Finance, and the China Securities Regulatory Commission) (“Measures for the Supervision and Administration of State-Owned Equities of Listed Companies” or “Order No. 36”), the price for a listed company’s shares to be transferred under public solicitation by state-owned shareholders shall not be less than the higher of the following two pricing requirements: the arithmetic average of the daily weighted average price for the 30 trading days preceding the date of the indicative announcement; and the audited net asset value per share of a listed company in the most recent accounting year.

Based on such provision, the price for each of the shares to be transferred will be determined on the basis of the higher of the audited net asset value per share of the Company for the year 2023 (approximately HK\$0.86) and the arithmetic average of the daily weighted average price for the 30 trading days preceding the date of the indicative announcement of the share transfers (i.e. 18 June 2024) (approximately HK\$0.25).

However, the final trading price will be determined in accordance with the relevant laws and regulations, by way of public solicitation and based on comprehensive consideration of both the quotations of prospective transferees and promoting development of the Company. Before completion of these share transfers, if the Company has ex-rights and ex-dividend events such as dividend distribution, bonus issue, conversion of capital reserve into share capital and placing, then the price of shares to be transferred will be adjusted accordingly. The adjusted price still has to comply with the requirements of Order No. 36 and the relevant laws and regulations.

## **III. CONDITIONS FOR SOLICITATION OF PUBLIC SOLICITATION FOR THESE TRANSFERS**

Based on the principles of openness, fairness and impartiality, prospective transferees shall have the following qualifications:

### **(I) General Conditions**

1. Prospective transferees and its controlling shareholders and actual controllers shall have the qualifications to become shareholders of Hong Kong listed companies under national laws and regulations and relevant requirements, shall be in a going-concern status, and there shall be no circumstances where acquiring shares of the Company is not allowed, and they shall comply with the laws and regulations and normative requirements in relation to the transfer of shares of the Company;

2. Prospective transferees of the public solicitation for these transfers shall not have any relevant circumstances constituting a connected person of the Company as provided under Rule 14A.07 to 14A.11 of the Listing Rules. There shall be no circumstances constituting persons acting in concert as provided under “The Codes on Takeovers and Mergers and Share Buy-backs” between transferees as well as between the transferee(s) and any of the Transferors;
3. Prospective transferees shall have lawful sources of fund, and there shall be no situations of illegal fund-raising or accepting entrustment of others to purchase and hold the shares to be transferred on their behalf. They shall have the financial strength of timely and full payments for the consideration for the shares to be transferred, and are able to timely provide proof of sources of fund and financial security plan;
4. Prospective transferees guarantee that all the relevant information provided in respect of the participation of this public solicitation does not contain any false records, misleading statement or material omission, and they undertake that if such guarantee is violated, then the soliciting party is entitled to unilaterally terminate the share transfer agreement or any other documents signed with the prospective transferees at any time. Prospective transferees have performed necessary decision-making procedures for these transfers of shares;
5. The prospective transferees shall be a single legal entity with legal personality, and the Transferors do not accept any consortium participation; the Transferors do not accept any request to transfer part of the shares to be transferred to prospective transferees, and any request of partial transfer shall be deemed not having made any request of transfer;
6. The prospective transferees shall submit a combined application for the two shareholders to whom the shares are to be transferred and shall not accept an application for the shares to be transferred by a single shareholder only.

## **(II) Relevant Conditions Promoting Development of the Company**

1. Prospective transferees shall have the ability to facilitate the Company’s sustainable development and improve its corporate governance structure, and shall have a high degree of synergy with the Company in terms of strategic development, and shall be able to promote the development of the Company’s operating performance;
2. Prospective transferees’ arrangement for these transfers of shares shall have no material adverse impact on the stability of shareholding structure of the Company or actual or potential material adverse impact on the interests of the Company and shareholders;
3. Prospective transferees shall have no connected relationships and interests that prejudice the interests of the Company.

#### **IV. REQUIREMENTS AND RELEVANT PROCEDURES FOR SUBMITTING TRANSFER APPLICATION MATERIALS BY PROSPECTIVE TRANSFEREES**

##### **(I) Information Requirements for Submitting Transfer Application**

The materials submitted by the prospective transferees include “Application for Share Transfer”, “Commitment Letter”, “Qualification Materials” and “Transfer Plan” (in case of a photocopy, it must be affixed with the legal person’s common seal).

##### **1. *Application for Share Transfer and Commitment Letter (See Appendix for the Format Requirements)***

The prospective transferees shall prepare the Application for Share Transfer according to the requirements and format stipulated in the public solicitation information, and submit an application to the Transferors for the transfers of the Company’s shares properly, indicating the intention to transfer.

The prospective transferees shall prepare the Commitment Letter according to the requirements and format stipulated in the public solicitation information, and confirm and undertake compliance and other matters of a prospective transferee.

##### **2. *Qualification Materials***

The enterprise legal persons shall submit the following materials:

- (1) The current and valid business license or certificate of incorporation of the prospective transferee;
- (2) Introduction of the prospective transferee;
- (3) The current and valid articles of association of the company, and if it is a limited partnership, a partnership agreement is required;
- (4) Explanation or proof of the prospective transferee’s source of funds for the acquisition;
- (5) The internal decision-making procedure document showing that the prospective transferee agrees to these share transfers;
- (6) Proof of payment for the contracting deposit of the prospective transferee;

- (7) Authorization materials of the person submitting the transfer application materials (including the certification document of the legal representative or the person in charge, the copy of the ID card of the legal representative or the person in charge, the power of attorney of the legal representative or the person in charge, and the copy of the ID card of the authorized representative);
- (8) Information proving that the prospective transferee is in line with the direction of promoting development of the Company;
- (9) Other materials proving that the prospective transferee is eligible for the transfer.

### **3. *Transfer Plan***

The transfer plan should include:

- (1) Quotation: including the quotation per share, the proportion of shares transferred, the total consideration and the quotation description;
- (2) Payment arrangement, funding source, the prospective transferee should state the payment arrangement and source of funds;
- (3) The prospective transferee explained the internal decision-making procedures that have been performed and the procedures that need to be performed for the share transfers.

### **4. *Supplementary Materials***

Other materials as deemed necessary by relevant decision-making departments or the Transferors.

## **(II) Deadline for Public Solicitation**

This public solicitation period lasts 10 trading days. Prospective transferees who meet the aforementioned conditions shall submit relevant materials to the Transferors within 10 trading days from the date of publication of this public solicitation announcement, i.e. from 15 July 2024 to 26 July 2024.

### **(III) Submission Methods for Application Materials**

The above materials can be delivered on-site or by electronic transmission (including e-mail). In case of on-site delivery, the above documents are bound and catalogued in A4 paper, the electronic version of which (USB disk) shall be provided. Each document should be stamped with the common seal, and the documents in a volume should be stamped with the common seal by way of paging seal. The paper documents and the corresponding USB disk should be sealed in an envelope and marked "Application Documents". Each envelope must be sealed and stamped with the common seal. The name, contact person, contact number, e-mail and contact address of the prospective transferee shall be indicated on the surface of the envelope. Paper application documents should be submitted with one original and four copies, and the original shall prevail. In case of electronic transmission, the above documents should be catalogued and each item should be stamped with the common seal, and the documents in a volume should be stamped with the common seal by way of paging seal and provided with colour scans. The electronic documents should be marked as "Application Documents" with the name, contact person, contact number, e-mail and contact address of the prospective transferee.

The application documents are irrevocable, unchangeable and non-refundable upon receipt.

The address for receiving materials and the contact information of Fair Union are as follows:

Recipient address: 6/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong  
Recipient: Mr. Ma Hongsheng  
Contact: 852-6267 8689 / michaelma@shougang-holding.com.hk  
Business hour: 9:30 a.m.–11:30 a.m. and 14:30 p.m.–17:00 p.m. on working days

This contact information will only be used during the public solicitation period for responding to questions related to the public solicitation, any inquiries related to the operation and management of the Company will not be entertained.

The address for receiving materials and the contact information of Lyre Terrace Management are as follows:

Recipient address: Suite 803, 8/F, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong  
Recipient: Mr. Brian Leung  
Contact: 852-2877 4500 / brianleung@shougang-grand.com.hk  
Business hour: 9:30 a.m.–11:30 a.m. and 14:30 p.m.–17:00 p.m. on working days

This contact information will only be used during the public solicitation period for responding to questions related to the public solicitation, any inquiries related to the operation and management of the Company will not be entertained.

**V. PAYMENT REQUIREMENTS ON THE CONTRACTING DEPOSIT, PERFORMANCE DEPOSIT AND CONSIDERATION FOR THE SHARE TRANSFERS**

The prospective transferee who submits the application materials in accordance with the transfer requirements of this public solicitation shall be deemed to have fully understood and voluntarily decided to fully accept and comply with all the conditions and requirements listed in this public solicitation for transfers, and has fully understood the situation of the Company through public information.

**(I) Payment Requirements on the Contracting Deposit**

The prospective transferee shall pay to the Transferors 20% of the total transaction price (in Hong Kong dollars) determined based on the consideration for the shares to be transferred as the contracting deposit of the transaction to the following designated accounts of the Transferors respectively, during the public solicitation period.

Fair Union has designated the following account as the account for receiving the deposit:

Name of bank: China CITIC Bank International Ltd.  
Name of account: Fair Union Holdings Limited  
Account number: 694-2-35833900

Lyre Terrace Management has designated the following account as the account for receiving the deposit:

Name of bank: The Hongkong and Shanghai Banking Corporation Limited  
Name of account: Lyre Terrace Management Limited  
Account number: 102-261120-001

**(II) Payment Requirements on the Performance Deposit**

The Transferee shall, within 5 working days after the signing of the Share Transfer Agreement, pay 50% of the total transaction price determined based on the consideration for the shares to be transferred to the designated accounts of the Transferors respectively as performance deposit, including the contracting deposit (without interest) paid by the transferee before the signing of the Share Transfer Agreement, which shall be automatically converted into part of the performance deposit after the signing of the Share Transfer Agreement. The accounts designated by the Transferors are the same as the contracting deposit accounts mentioned above.



### **(III) Payment Requirements for Consideration for the Share Transfers**

The final transferee shall remit the remaining consideration (after deducting the total amount of the performance deposit paid by the transferee (without interest)) for the share transfers to the bank accounts designated by the Transferors by way of bank transfer before the share transfers.

If the final transferee refuses to sign the formal Share Transfer Agreement, or if the submitted application materials contain false records, misleading representations or major omissions, or if the transferee fails to implement this public solicitation for the transfers due to its own reasons, or the transferee violates the agreement and fails to pay the remaining consideration (if any) for the share transfers in full and on time, the performance deposit it paid will not be refunded.

## **VI. DETERMINATION OF THE TRANSFEREES IN THIS PUBLIC SOLICITATION**

Upon the expiration of the public solicitation period for these share transfers, the Transferors will organize a review committee to conduct a comprehensive review of the prospective transferees that meet the conditions for this public solicitation. It will select the preferred transferees with merits based on a comprehensive consideration of various factors in accordance with the relevant requirements under Order No. 36, and sign a conditional Share Transfer Agreement with the final transferees. The content of the agreement is the final agreement on the rights and obligations of the parties, which is subject to the condition precedent of approval by the competent authorities.

After a comprehensive review, if there is no final prospective transferee, the transferees may be re-solicited publicly or these share transfers shall be terminated.

## **VII. RISK WARNING AND OTHER INFORMATION**

There are uncertainties as to whether the public solicitation of transferees can solicit qualified transferees, as to details of the transaction conditions, and as to whether agreement can be reached on the transaction conditions. Before completion of the procedures of public solicitation of transferees and the signing of share transfer agreement, there is uncertainty regarding the transferees of these share transfers. These share transfers can only be practically implemented after the decision is made by competent authorities. There are uncertainties as to whether these share transfers can be practically implemented and as to the specific implementation time.

Based on the progress of the above matters, the Company will timely perform information disclosure obligations in strict compliance with the laws and regulations and requirements of the regulatory documents.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Shougang Century Holdings Limited**  
**SU Fanrong**  
*Chairman*

Hong Kong, 12 July 2024

*As at the date of this announcement, the Board comprises the following Directors:*

*Mr. Su Fanrong (Chairman), Mr. Li Jinping (Managing Director), Mr. Yang Junlin (Deputy Managing Director), Mr. Zhang Dan (Executive Director), Mr. Adam Touhig (Non-executive Director), Mr. Lam Yiu Kin (Independent Non-executive Director), Mr. Feng Yaoling (Independent Non-executive Director) and Ms. Ho Shuk Ying, Sabrina (Independent Non-executive Director).*

## Appendix I

### Application for Share Transfer

Fair Union Holdings Limited/Lyre Terrace Management Limited:

[Prospective Transferee] (hereinafter referred to as “we”, “us” or “our”) was informed through the Shougang Century Holdings Limited’s Announcement regarding Proposed Transfers of Certain Shares of the Company by the Shareholders and Public Solicitation of Transferees by the Shareholders (the “Public Solicitation Announcement”), that Fair Union Holdings Limited / Lyre Terrace Management Limited (Collectively, the “Transferors”) intends to transfer an aggregate of 95,962,000 shares (the “Target Shares”) in Shougang Century Holdings Limited (“Shougang Century”) by way of public solicitation, representing approximately 4.90% of the total number of issued shares of Shougang Century (the “Public Solicitation”). In this regard, we apply for the transfer of Target Shares as described and confirmed as follows:

#### I. INTENT ON ACCEPTING TRANSFER

After our evaluation and decision, we hereby apply to the Transferors for the transfer of all Target Shares, and agree to participate in the Public Solicitation pursuant to the conditions determined by the Transferors.

#### II. PURPOSE OF INVESTMENT

[...]

#### III. INDUSTRIAL OR STRATEGIC INVESTMENT ADVANTAGES

[...]

#### IV. STRATEGIC PLANNING ADVICE FOR THE SHARES HELD

[...]

V. We truly intend to participate in the Public Solicitation. We have read the Public Solicitation Announcement with due caution and agreed to comply with the procedures and rules determined by the Public Solicitation Announcement. We undertook all the requirements set out in the Public Solicitation Announcement and confirmed we have complied with all the conditions set out in the Public Solicitation Announcement.

VI. The application for share transfer will be legally binding on us upon it is signed and lodged to the venue of receiving application documents designated by the Transferors.

VII. Our contact details are as follows:

Contact person:  
Telephone number:  
Fax:  
Email:

[Prospective Transferee] (Seal)

Signed by Legal Representative/Executive Partner (Designated Representative or Authorized Representative):

[Date]

## Appendix II

### Undertakings

Fair Union Holdings Limited/Lyre Terrace Management Limited:

[Prospective Transferee] (hereinafter referred to as “I”, “we”, “us” or “our”) was informed through the Shougang Century Holdings Limited’s Announcement regarding Proposed Transfers of Certain Shares of the Company by the Shareholders and Public Solicitation of Transferees by the Shareholders (the “Public Solicitation Announcement”), that Fair Union Holdings Limited/Lyre Terrace Management Limited (Collectively, the “Transferors”) intends to transfer an aggregate of 95,962,000 shares (the “Target Shares”) in Shougang Century Holdings Limited (“Shougang Century” or “Listed Company”) by way of public solicitation, representing approximately 4.90% of the total number of issued shares of Shougang Century (the “Public Solicitation”).

We hereby agree to participate in the Public Solicitation pursuant to the conditions determined by the Transferors, with our confirmation and undertakings as follows:

- (I) I/We truly intend to participate in the Public Solicitation. We have read the Public Solicitation Announcement with due caution and agreed to comply with the procedures and rules determined by the Public Solicitation Announcement. We undertook all the requirements set out in the Public Solicitation Announcement and confirmed we have complied with all the conditions set out in the Public Solicitation Announcement.
- (II) The undertakings in respect of the legal compliance by us and our controlling shareholders and actual controllers are as follows:
  1. As we and our controlling shareholders, and actual controllers are in a state of going concern, termination is not required in accordance with the requirements of relevant laws, regulations and other normative documents (in which controlling shareholders and actual controllers are natural persons and entitled to civil conduct).
  2. We and our controlling shareholders, and actual controllers do not deviate the provision of acquiring a listed company as stipulated in the Measures for the Supervision and Administration of State-owned Equity in Listed Companies (《上市公司國有股權監督管理辦法》).
- (III) We (including persons acting in concert and related parties, same as below) guarantee that all authorizations for participating in the Public Solicitation are true and valid. The relevant information submitted by us during the Public Solicitation process is true, accurate and complete, and we guarantee that there are no false records, misleading statements or major omissions. If the submitted information contains false records, misleading statements or major omissions which are not in compliance with the requirements of the acquirer as stipulated in the Measures for the Supervision and Administration of State-owned Equity in Listed Companies (《上市公司國有股權監督管理辦法》), the Transferors are entitled to unilaterally terminate the Share Transfer Agreement or any other document entered into with us.

(IV) The funding sources of our transferred shares are legal and compliant, without illegal fundraising as well as purchasing and holding the Target Shares on behalf of others, but with sufficient capital to pay the share transfer price in full and on time.

(V) In line with the principle of promoting and maintaining the sustainable and healthy development of the Listed Company and safeguarding the interests of the Listed Company and all shareholders, we have made undertakings as follows:

After the transfer of the shares of the Listed Company, we shall comply with the laws, regulations and normative requirements related to the Listed Company, without giving damage to the legitimate rights and interests of the Listed Company and all shareholders, to promote the development of the Listed Company.

(VI) We have performed the necessary decision-making procedures for participating in the Public Solicitation to transfer the Target Shares.

(VII) We and our actual controller, controlling shareholders (limited partnership being general partner and limited partner) and our directors, supervisors and senior management and their affiliates, and the Transferors and Shougang Century are not connected persons.

(VIII) We hereby undertake that, before the signing and performance of the Share Transfer Agreement, we shall not be in any of the following situations:

1. Insider trading related to the Listed Company, manipulation of the stock price of the Listed Company or information disclosure related to the Listed Company are in non-compliance with laws and regulations;
2. Any violation of laws and regulations that may be investigated by securities regulatory authorities, and any possible punishment or conviction or sentencing by governmental authorities or judicial authorities, result in our ineligibility to purchase the Target Shares, or potential legal risks that the share transfer cannot be proceeded.

(IX) The signing of the Share Transfer Agreement is confirmed as follows:

1. Before the submission of transfer application documents, we have fully recognized the basic information, financial position, management team, business status and other information of the Listed Company, and have performed the necessary investigation procedures through the public disclosure of information by the Listed Company and other means. If we were determined by the Transferors as the final transferee, we shall not refuse to sign the Share Transfer Agreement and perform relevant obligations on the grounds that the necessary due diligence procedures have not been completed or there is a misunderstanding of the Public Solicitation Announcement.

2. We agree that we shall have no right to request the Transferors to return the contracting deposit and performance deposit if we decide to give up on purchasing the Target Shares or refuse to sign the Share Transfer Agreement after being identified by the Transferors as a definite transferee after the review, and we will compensate the Transferors for the losses.
- (X) We agree that we shall have no right to request the Transferors to return the contracting deposit and performance deposit if we breach the Letter of Undertakings after being identified by the Transferors as a definite transferee after the review, which results in non-compliance with the requirements of the Measures for the Supervision and Administration of State-owned Equity in Listed Companies (《上市公司國有股權監督管理辦法》) on the acquirer, and we shall compensate the Transferors for all the losses.
- (XI) We agree that both parties will terminate the transaction without being liable for each other's breach of contract if the transaction is not approved by competent authority.

(No text below)

[Prospective Transferee] (Seal)

Signed by Legal Representative/Executive Partner (Designated Representative or Authorized Representative):

[Date]